

Divorce and Chapter 13 Bankruptcy
Hypotheticals

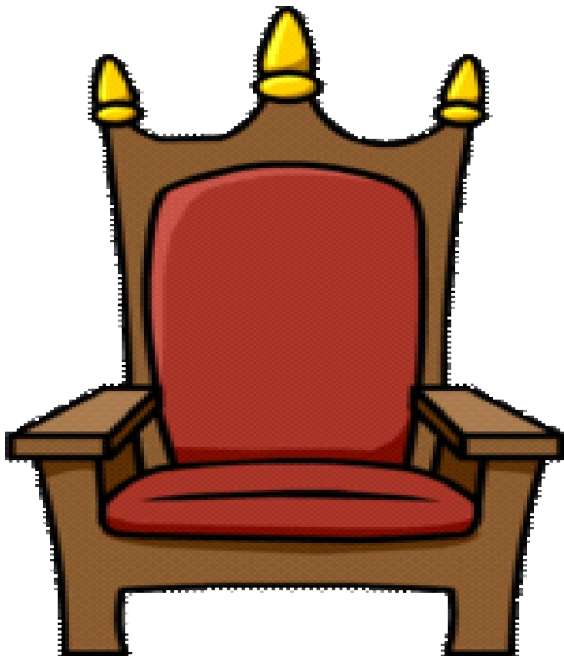
Lou Jones Breakfast Club
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1. Hermione and Ron are 52 months into a 60 month Chapter 13 plan. Their plan proposes to pay 100% to unsecured creditors. Secured and priority creditors have all been paid properly, and only credit card and medical debt plus some minor trustee fees remain unpaid. Each has completed the financial management course and filed the certificate and form B23. You get a cryptic e-mail from Hermione asking if you know any lawyers who handle wizard divorces. Upon follow up, you learn that she has already filed for divorce from Ron and has taken their two children, Rose and Hugo, with her to live with their friends Harry and Ginny. How do you proceed?

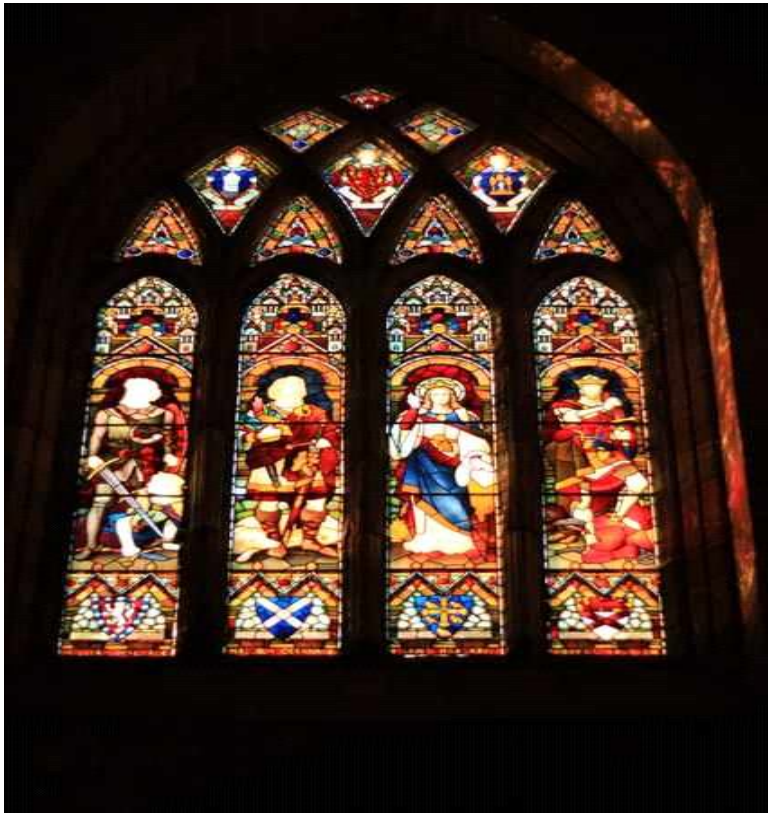


2. Your clients are Tywin and Joanna Lannister. Just a year ago, their 36 month, 0% chapter 13 plan was confirmed, and things were going well. The debtors are currently in a 3 month trial plan following negotiations in the MMM program to save their home, Casterly Rock, from foreclosure. Now, they meet and inform you that they want a divorce and a list of their options. Tywin wants to keep their home and pass it along to his son, Joffrey. Joanna prefers to let the house go and start fresh (and doesn't trust Joffrey at all).



3. Robert and Cora Crawley meet with you for an initial consultation. After filing out your initial forms, they discuss their finances with you, only to announce towards the end of their free consultation that they have no plans to stay together long-term. They **PROMISE** to make it through whatever bankruptcy plan you advise. Some key facts:

They do not pass the Chapter 7 means test as a household of 5, although they would barely pass as a household of 6 if Robert's mother, the Dowager Countess, was counted (no pun intended). Their Chapter 13 means test yields a DMI of \$275 per month for 60 months. They are current on their payments on Downton Abbey and each has an active car loan. They have \$87,000 in unsecured debts, including \$42,000 in student loans, and \$22,000 in priority income taxes to the IRS.



4. You represented Jack and Jill 5 years ago in a chapter 7. Today Jill informs you she and Jack are going through a divorce. They each have divorce attorneys. She is agreeing to take half the debt in a marital settlement agreement. She would like you to file a chapter 13 for her as soon as possible. She has not told her soon to be ex-husband or any of the lawyers she plans on doing this. What do you do?

